

EXHIBIT

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May 4, 2011

VIA EMAIL AND U.S. MAIL

Frances T. Grunder, Esq.
Senior Assistant Attorney General
State of California Department of Justice
455 Golden Gate Avenue, Suite 11000
San Francisco, California 94102
E-Mail: Frances.Grunder@doj.ca.gov

Re: Apple Inc.'s Response to Requests for Information Regarding Apple's
Storage and Collection of Consumers' Location Data

Dear Ms. Grunder:

Apple provides this letter in response to the Attorney General's letter of April 26, 2011.

On April 27, 2011, Apple issued the attached public response to questions about how Apple gathers and uses location information. That response provides much of the information requested in your letter. The following summary provides additional details regarding Apple's collection, storage, and use of location information on Apple mobile devices. After this summary, specific answers are given to each question in your letter.

At the outset, the initial point made in Apple's April 27 public response should be emphasized: Apple does not track users' locations – Apple has never done so and has no plans to ever do so. Instead, to provide the best services to meet customers' demands, Apple collects the following, limited kinds of location-related information from a device.

**I. SUMMARY OF APPLE'S COLLECTION, STORAGE, AND USE OF LOCATION
INFORMATION ON APPLE MOBILE DEVICES**

**A. Crowd-Sourced Database of Wi-Fi Hotspot and Cell Tower Location
Information**

Consumers are increasingly demanding accurate location information from their handheld devices. Consumers want directions from their current location to a desired destination; consumers want their devices to find the nearest coffee shop or gas station. To get this type of information, consumers want and expect their mobile

Apple
1 Infinite Loop, MS 36-3MAL
Cupertino, CA 95014

T 408 996-1010
F 408 974-5400
www.apple.com



devices to be able to quickly and reliably determine their current locations. If the device contains a GPS chip, the device can determine its current location using GPS satellite data. But this process can take up to several minutes. Obviously, if the device does not have a GPS chip, the GPS location data is not available at all.

To enable Apple mobile devices to respond quickly (or at all, in the case of non-GPS equipped devices or when GPS is not available, such as indoors or in basements) to a customer's request for current location information, Apple maintains a secure database containing information regarding known locations of cell towers and Wi-Fi access points – also referred to as Wi-Fi hotspots. (For additional details, please see Apple's July 12, 2010 Letter to The Honorable Edward J. Markey and The Honorable Joe Barton (Apple's "July 12, 2010 Letter") at 6.)¹ As described in greater detail below with regard to mobile devices – and as discussed in detail with regard to both mobile devices and Mac computers in the July 12, 2010 Letter – Apple anonymously collects anonymous location information about Wi-Fi hotspots and cell towers from millions of Apple devices. From this anonymous information, Apple has been able, over time, to calculate the known locations of millions of Wi-Fi hot spots and cell towers. Because the basis for this location information is the "crowd" of Apple devices, Apple refers to this as its "crowd-sourced" database. The crowd-sourced database does not reveal personal information about any customer.

An Apple mobile device running Apple's mobile device operating system, iOS, can use the crowd-sourced database to (1) provide the customer with an approximate location while waiting for the more precise GPS location, (2) find GPS satellites much more quickly, significantly reducing the wait time for the GPS location, and (3) triangulate the device location when GPS is not available (such as indoors or in basements). The device performs all of these calculations in response to a request for location information from an application on the customer's device that has been explicitly approved by the user to obtain the current location, and the device requests from Apple the crowd-sourced database information needed for these calculations.

To further improve the speed with which the device can calculate location, Apple downloads a subset of the crowd-sourced database content to a local cache on the device. This content describes the known locations of Wi-Fi hotspots² and cell towers that the

¹ For your reference, a copy of Apple's July 12, 2010 Letter is attached and is also available online on Congressman Markey's website at <http://markey.house.gov/docs/applemarkeybarton7-12-10.pdf>.

² For each Wi-Fi hotspot, the location information includes that hotspot's MAC address, latitude/longitude coordinates, associated horizontal accuracy number, and a confidence value. For each cell tower, the location information includes the cell tower ID, latitude/longitude coordinates, associated horizontal accuracy number, and a confidence value.



device can “see” and/or that are nearby, as well as nearby cell location area codes,³ some of which may be more than one hundred miles away. The presence of the local cache on the device enables the device to calculate an initial approximate location before Apple’s servers can respond to a request for information from the crowd-sourced database.

As discussed in more detail below, Apple issued a free software update that changed the way in which iOS maintained its local cache. The software update reduced the size of the crowd-sourced Wi-Fi hotspot and cell tower database cached on the devices, ceased backing up this cache, and deleted the cache entirely when Location Services is off.

For devices that have installed this update, iOS stores this local cache in a database file called “cache.db.” For devices running previous versions of iOS 4, iOS stores this local cache in the “consolidated.db” database. Except as otherwise noted, “local cache” is used herein to refer to the downloaded hotspot and cell tower location information, whether stored in consolidated.db or in cache.db.

The local cache does not include a log of each time the device was near a particular hotspot or cell tower, and the local cache has never included such a log. For each Wi-Fi hotspot and cell tower, the local cache stores only that hotspot’s/cell tower’s most recent location information, downloaded from Apple’s constantly updated crowd-sourced database. After a customer installs the free iOS software update, iOS will purge records that are older than seven days, and the cache will be deleted entirely when Location Services is turned off.

The local cache is protected with iOS security features, but it is not encrypted. Beginning with the next major release of iOS, the operating system will encrypt any local cache of the hotspot and cell tower location information.

Prior to the update, iTunes backed up the local cache (stored in consolidated.db) as part of the normal device backup if there was a syncing relationship between the device and a computer. The iTunes backup, including consolidated.db, may or may not have been encrypted, depending on the customer’s settings in iTunes. After the software update, iTunes does not back up the local cache (now stored in cache.db).

When a customer runs certain applications, those applications request location information from iOS. Because of a bug that existed prior to the update, even when Location Services was off, the device would anonymously send the IDs of visible Wi-Fi

³ Cell base stations are grouped into “location areas” for network planning purposes, and each location area is assigned a unique “location area code.” This “location area code” is broadcast by the cell base stations.



hotspots and cell towers, without any GPS information, to Apple's servers, Apple's servers would send back the known, crowd-sourced location information for those hotspots and cell towers (and nearby hotspots and cell towers), and the device would cache that information in the consolidated.db file. None of this downloaded crowd-sourced location information – or any other location information – would be provided to or disclosed to the application.

The iOS software update fixed the bug that caused crowd-sourced location information to be downloaded to the device while Location Services was off. iOS will now delete any existing local cache from consolidated.db and, if Location Services is off, (1) Apple will not download any crowd-sourced location information to the device, regardless of whether a specific application requests that information, and (2) iOS will delete any cache of this information stored in cache.db.

B. Collecting Crowd-Sourced Wi-Fi Hotspot and Cell Tower Location Information

As mentioned above and in the July 12, 2010 Letter, Apple collects anonymous location information about Wi-Fi hotspots and cell towers from millions of devices to develop and refine Apple's database of crowd-sourced location information. The mobile devices intermittently collect information about Wi-Fi hotspots and cell towers that they can "see" and tag that information with the device's current GPS coordinates, i.e. the devices "geo-tag" hotspots and towers.

This collected Wi-Fi hotspot and cell tower information is temporarily saved in a separate table in the local cache; thereafter, that data is extracted from the database, encrypted, and transmitted – anonymously – to Apple over a Wi-Fi connection every twelve hours (or later if the device does not have Wi-Fi access at that time). Apple's servers use this information to re-calculate and update the known locations of Wi-Fi hotspots and cell towers stored in its crowd-sourced database. As explained in Apple's April 27 public response and Apple's July 12, 2010 Letter, Apple cannot identify the source of this information, and Apple collects and uses this information only to develop and improve the Wi-Fi hotspot and cell tower location information in Apple's crowd-sourced database. After the device attempts to upload this information to Apple, even if the attempt fails, the information is deleted from the local cache database on the device. In versions of iOS 4.1 or later, moreover, the device will not attempt to collect or upload this anonymous information to Apple unless Location Services is on and the customer has explicitly consented to at least one application's request to use location information.



C. Additional Location Information Collections

If Location Services is on, Apple collects location information from mobile devices under the following additional circumstances.

First, as mentioned in Apple's April 27 response, Apple is now collecting anonymous traffic data to build a crowd-sourced automobile traffic database with the goal of providing iPhone users an improved traffic service in the next couple of years. This information is temporarily stored in the local cache on the device, anonymously uploaded to Apple, and then deleted from the device.

Second, Apple collects anonymous diagnostic information from randomly-selected devices to evaluate and improve the performance of its mobile hardware and operating system. For example, Apple may collect information about a dropped cell phone call, including the calculated location of the device when a call was dropped, to help identify and address any cell connection issues. Before any diagnostic information is collected, the customer must provide express consent to Apple. Apple cannot associate this information with a particular customer. Additional details regarding Apple's diagnostic collection practices are provided in the July 12, 2010 Letter at page 8.

Third, Apple obtains information about the device's location (the latitude/longitude coordinates) when an ad request is made. The device securely transmits this information to the Apple iAd servers, the iAd servers immediately convert the latitude/longitude coordinates to a five-digit zip code, and the iAd servers then discard the coordinates. Apple does not record or store the latitude/longitude coordinates – Apple stores only the zip code. Apple then uses the zip code to select a relevant ad for the customer. Additional details regarding Apple's advertising collection practices are provided in the July 12, 2010 Letter at pages 9-10.

Finally, if a customer has consented to an application's collection and/or use of location information, iOS will provide current location information in response to a request from that application. iOS will provide that customer-approved application with the location of the device only; iOS does not provide applications with direct access to the local cache.

D. Apple's May 4, 2011 iOS Software Update

As discussed above, Apple released an iOS Software Update. After a customer installs this software update on an iOS device:



- if Location Services is off, Apple will not download any crowd-sourced Wi-Fi hotspot and cell tower location information to the device, regardless of whether a specific application requests that information;
- iOS will delete from consolidated.db any cached location information described above – even if Location Services is on;
- iOS will store cached location information, as described above, in cache.db only if Location Services is on and will delete any such cached location information from cache.db if Location Services is turned off;
- iOS will purge from cache.db crowd-sourced Wi-Fi hotspot and cell tower location information records that are older than seven days; and
- iTunes will not back up cache.db.

II. RESPONSES

The following responses represent the current state of our knowledge based on our investigation to date. Our investigation is ongoing, however, and we may continue to discover information responsive to your letter. I will update our responses, as needed, if we locate other responsive materials or information.

1. Do any of your company's operating systems collect and store location data in any files, hidden and/or non-hidden, on any mobile or wireless-capable devices?

Under the circumstances detailed above, Apple's mobile operating system, iOS, collects and temporarily stores in a local cache database on the device: (1) location data for Wi-Fi hotspots and cell towers and (2) location data associated with automobile traffic data. In versions of iOS 4 prior to the update, this local cache database is contained in a file named consolidated.db; for devices that have installed the software update, the local cache database is contained in a file named cache.db. Also described above, iOS may collect and temporarily store in files on the device location data associated with diagnostic information. Finally, iOS also collects, but does not store, the device's latitude and longitude coordinates when an ad request is made.

Also as described above, Apple has compiled and updates a crowd-sourced database of location information for Wi-Fi hotspots and cell towers that is derived in part from the geo-tagged hotspot and cell tower information sent by Apple devices. Apple maintains this database on its servers, and Apple downloads a subset of the derived



hotspot and cell tower location information to the local cache database on mobile devices. Although this data is stored on the iOS-based mobile device, it is not the data collected from that device or any other device – instead, it comprises the locations for hotspots and cell towers as calculated by Apple.

In versions of iOS 4 prior to the update, iOS wrote a cache copy of the device's single "last known location" to a file named "cache.plist." Specifically, when the device determined its current location, iOS wrote that location to cache.plist, overwriting any previous data that may have been in the file. In other words, only one last known location was stored; previous locations, or locations over time, were not stored by iOS. The next time an application or service requested current location information, iOS used the data in cache.plist, along with other information, to determine the device's then-current location. Any previous location in cache.plist was then overwritten. After the software update is installed on a device, iOS no longer writes the last known location to a file and deletes any last known location stored in cache.plist.

Apple's Mac computers and laptops run Apple's Mac OS X operating system. Mac OS X anonymously collects information about Wi-Fi hotspots, such as MAC addresses. Additional details regarding the collection of this information from Mac OS X are provided in the July 12, 2010 Letter at pages 7-8.

Further, in addition to Apple's operating systems, applications running on Apple devices may also collect and store location information when the customer consents. The details regarding the restrictions placed on applications' collection and use of location information are discussed below.

2. If there are such files (hidden and/or non-hidden) placed on the devices, for each such file:

a. On what devices is the file placed?

As discussed above, iOS creates the cache.db local cache database on devices that (1) have installed the software update and (2) have Location Services on. iTunes does not back up cache.db. And if the customer turns off Location Services, iOS will delete any existing cache of the hotspot and cell tower location information from cache.db. In addition, as noted above, when the software update is installed, iOS will delete any existing local cache from consolidated.db (even if Location Services is on).

Also as discussed above, iOS creates files on Apple mobile devices in which geo-tagged diagnostic information may be stored; iTunes does not back up these files.



In versions of iOS 4 prior to the update, the consolidated.db local cache database contained location information as described above. For non-updated devices, if the customer (1) had established a syncing relationship between the customer's mobile device and a personal computer and (2) connected the Apple mobile device to that personal computer, iTunes would back up consolidated.db, including location information, as part of the normal device backup. The iTunes backup, including consolidated.db, may or may not be encrypted, depending on the customer's settings in iTunes. On devices that have not installed the software update, iOS also creates the cache.plist file containing the last known location of the device. This last known location cache is not backed up by iTunes. On devices that have installed the update, iOS will no longer write the last known location to a file and will delete any existing last known location stored in cache.plist.

b. Who developed the file?

Apple's software engineers developed the functionality within iOS that creates consolidated.db, cache.db, the diagnostic files, and cache.plist.

c. When and how did the file get placed on the devices?

iOS creates cache.db under the circumstances described above. In versions of iOS 4 prior to the software update, iOS created the consolidated.db, as described above. iOS has stored (1) the cache.plist file since July 2008 when Apple released iOS version 2.0 and (2) the diagnostic information files (that may include location information) since June 2009 when Apple released iOS version 3.0.

d. Has your company publicly disclosed the existence of such a file? When?

Apple has publicly disclosed in several ways the types of information it collects and how it uses that information. Through its Privacy Policy and previous disclosures to questions raised about location based data, Apple has informed its customers of the types of data collected and used by the devices. Apple provided a detailed description of its collection and use of location-based information in the July 27, 2010 Letter. In Apple's April 27, 2011 public response, Apple disclosed additional technical details, including characteristics of the local cache database file.



First, Apple's Privacy Policy, which is available from links on every page of Apple's website,⁴ contains express disclosures regarding Apple's collection and use of location data and non-personal information:

Location-Based Services

To provide location-based services on Apple products, Apple and our partners and licensees may collect, use, and share precise location data, including the real-time geographic location of your Apple computer or device. This location data is collected anonymously in a form that does not personally identify you and is used by Apple and our partners and licensees to provide and improve location-based products and services. For example, we may share geographic location with application providers when you opt in to their location services.

Some location-based services offered by Apple, such as the MobileMe "Find My iPhone" feature, require your personal information for the feature to work.

Collection and Use of Non-Personal Information

We also collect non-personal information – data in a form that does not permit direct association with any specific individual. We may collect, use, transfer, and disclose non-personal information for any purpose. The following are some examples of non-personal information that we collect and how we may use it:

- We may collect information such as occupation, language, zip code, area code, unique device identifier, location, and the time zone where an Apple product is used so that we can better understand customer behavior and improve our products, services, and

⁴ The links take customers to <http://www.apple.com/privacy>, which may also be accessed by customers directly.



advertising.

...

If we do combine non-personal information with personal information the combined information will be treated as personal information for as long as it remains combined.

Second, Apple's Software License Agreements ("SLAs") for products that provide location-based services similarly provide express disclosures regarding Apple's collection and use of location information. For example, to activate an iPhone, the customer must accept and agree to the iPhone SLA, including the following provision regarding location data:

4. Consent to Use of Data.

...

(b) Location Data. Apple and its partners and licensees may provide certain services through your iPhone that rely upon location information. To provide and improve these services, where available, Apple and its partners and licensees may transmit, collect, maintain, process and use your location data, including the real-time geographic location of your iPhone, and location search queries. The location data and queries collected by Apple are collected in a form that does not personally identify you and may be used by Apple and its partners and licensees to provide and improve location-based products and services. **By using any location-based services on your iPhone, you agree and consent to Apple's and its partners' and licensees' transmission, collection, maintenance, processing and use of your location data and queries to provide and improve such products and services.** (emphasis exists in the SLA) You may withdraw this consent at any time by going to the Location Services setting on your iPhone and either turning off the global Location Services setting or turning off the individual location settings of each location-



aware application on your iPhone. Not using these location features will not impact the non location-based functionality of your iPhone. When using third party applications or services on the iPhone that use or provide location data, you are subject to and should review such third party's terms and privacy policy on use of location data by such third party applications or services. ...

At all times your information will be treated in accordance with Apple's Privacy Policy, which is incorporated by reference into this License and can be viewed at: www.apple.com/legal/privacy/.

In addition, every time a customer updates iOS on an iPhone, the customer must again accept and agree to the iPhone SLA.

Third, before any application can collect or use location information, iOS discloses to the customer that the application "would like to use [the customer's] current location" and requests the customer's express consent.

Fourth, before Apple will collect any diagnostic information from an iOS customer, that customer must explicitly agree that Apple may collect and use such information. For example, iPhone customers must click "Agree" in response to the following disclosure:

You can help Apple improve its products by sending us anonymous diagnostic and usage information about your iPhone.

By clicking "Agree" you agree that Apple may periodically collect and use this information as part of its support services and to improve its products and services. This information is collected anonymously. To learn more about Apple's Privacy Policy, see <http://www.apple.com/legal/privacy>.



e. Who made the final decision at your company to implement the file on your devices?

No single individual at Apple made a final decision to implement these files. As mentioned above, Apple's software engineering team collectively developed the functionality within iOS that creates consolidated.db, cache.db, the diagnostic files, and cache.plist.

3. Is information collected if an owner has disabled or refused to turn on the "location" function of the mobile device?

When a customer runs certain applications, those applications request location information from iOS. Because of a bug that existed prior to the update, even when Location Services was off, the device would anonymously send the IDs of visible Wi-Fi hotspots and cell towers, without any GPS information, to Apple's servers, Apple's servers would send back the known, crowd-sourced location information for those hotspots and cell towers (and nearby hotspots and cell towers), and the device would cache that information in the consolidated.db file. None of this downloaded crowd-sourced location information – or any other location information – would be provided to or disclosed to the application.⁵

The iOS software update fixed the bug that caused crowd-sourced location information to be downloaded to the device while Location Services was off. iOS will now delete any existing local cache from consolidated.db and, if Location Services is off, (1) Apple will not download any crowd-sourced location information to the device, regardless of whether a specific application requests that information, and (2) iOS will delete any cache of this information stored in cache.db.

4. Is there a mechanism (other than disabling/refusing to turn on the "location" function of the device) by which a mobile device user can prevent the collection of this location data?

Apple has always provided its customers with functionality to control the location-based service capabilities of their devices.

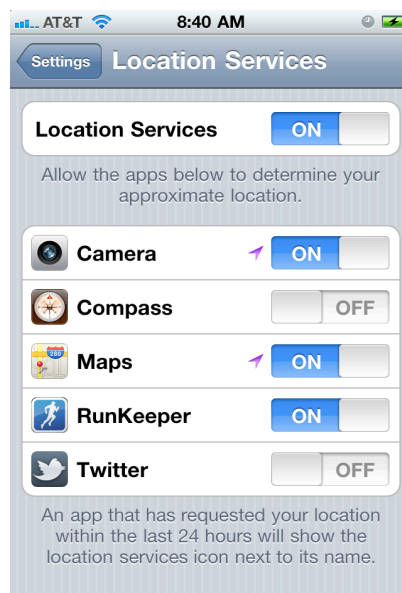
First, Apple has always required express customer consent when any application requests location-based information for the first time. When an application requests the

⁵ When Apple released iOS 4.1 on September 8, 2010, Apple fixed a bug that had caused iOS to send anonymous, geo-tagged information about Wi-Fi hotspots and cell towers to Apple even if the customer had turned off Location Services. For devices running iOS version 4.1 and later, the device does not send this anonymous location information to Apple.

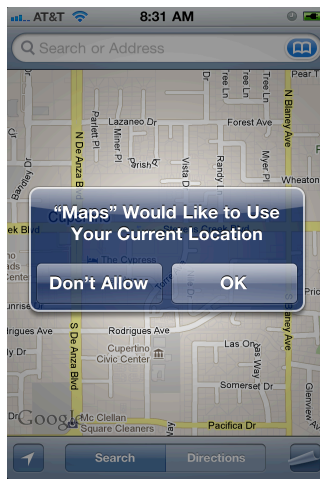


information, a dialog box appears stating: “[Application] would like to use your current location.” The customer is asked: “Don’t Allow” or “OK.” If the customer clicks on “Don’t Allow,” iOS will not provide any location-based information to the application. This dialog box is mandatory—neither Apple’s applications nor those of third-parties are permitted to override the notification.

Second, iOS also permits customers to identify individual applications that may not access location-based information, even if Location Services is on. The Location Services settings menu provides an “On/Off” toggle switch for each application that has requested location-based information.



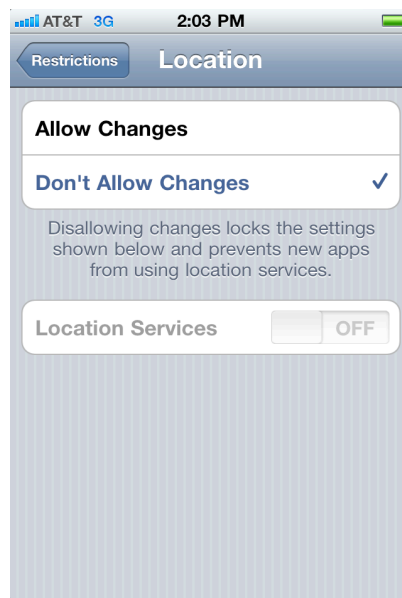
The first time an application requests location-based information, iOS presents the customer with the “Don’t Allow/OK” dialog box to request confirmation from the customer. For example, shown below are the dialog boxes iOS presents for the Maps and Camera applications.



If the customer selects “OK,” iOS will list the application in the Location Services setting menu with the “On” setting. If the customer selects “Don’t Allow,” iOS will list the application with the “Off” setting. When the switch for a particular application is toggled “Off,” no location-based information will be provided to that application.

Third, Customers can change their individual application settings at any time. An arrow icon (↗) alerts customers that an application is using or has recently used location-based information. This icon appears in real-time for currently running applications and next to the “On/Off” toggle switch for any application that has used location-based information in the past twenty-four hours.

Fourth, customers can use Restrictions, also known as Parental Controls, on a mobile device to prevent access to specific features, including Location Services. When a customer enables Restrictions, the customer must enter a passcode (this passcode is separate from the device passcode that the customer may set).



If the customer turns Location Services off and selects “Don’t Allow Changes,” the user of the device cannot turn on Location Services without that passcode. In addition, (1) iOS will not provide any location information to any applications, including applications that may have previously received consent to use location information; (2) iOS will not collect or geo-tag information about nearby Wi-Fi hotspots or cell towers; and (3) iOS will not upload any location information to Apple from the device.

Finally, for iOS versions 4.1 and later, if the customer turns Location Services off, the mobile device does not send geo-tagged data about Wi-Fi hotspots and cell towers to Apple.

5. Is the collected information transmitted to your company or to any other person or entity?

Location information may be transmitted from mobile devices to Apple and to other entities, as further described below.

If so, please describe:

a. What information is transmitted.

As described above, versions of iOS 4 transmit anonymously the following categories of location-based information to Apple’s servers: (1) geo-tagged information for Wi-Fi hotspots and cell towers; (2) location information associated with automobile



traffic data; (3) location information associated with diagnostic data; and (4) in the case of the iAd network, latitude/longitude coordinates for a device when an ad request is made.

If – and only if – a customer expressly consents to a request for location information made by an application or by an advertisement (for example, to locate the Target store nearest the customer) that has been delivered to the device by Apple's iAd servers, iOS will provide that application or advertisement the current location of the customer device.

b. How that information is transmitted.

As described above, versions of iOS 4 transmit to Apple, in an anonymous and encrypted form, over a Wi-Fi Internet connection: (1) geo-tagged information for Wi-Fi hotspots and cell towers and (2) location information associated with automobile traffic data. iOS transmits to Apple in an anonymous and encrypted form over a cellular network connection or Wi-Fi Internet connection: (1) location information associated with diagnostic data and (2) the device coordinates associated with an iAd ad request.

With respect to third-party applications as to which customers have provided consent for sharing of location information, please see response to Request No. 6 regarding the terms of the PLA to which the third-party application developers must agree.

c. If it is transmitted in an encrypted or an unencrypted format.

Please see response to Request No. 5.b.

d. What the company does with this information.

Apple collects location-based information for only one purpose – to enhance and improve the services we can offer to our customers.

Apple uses the anonymous, geo-tagged information about Wi-Fi hotspots and cell towers collected from mobile devices, along with other information (such as cellular specifications), to calculate the locations of hotspots and cell towers. Apple stores the calculated locations in Apple's crowd-sourced database. Information from this database enables Apple mobile devices to calculate location quickly (or at all, in the case of non-GPS enabled devices) to the customer's request for current location information.



Apple is using location information associated with automobile traffic data to build a crowd-sourced traffic database with the goal of providing iPhone users an improved traffic service in the next couple of years.

Apple uses location information associated with diagnostic data to evaluate and improve the performance of its mobile hardware and operating system.

Finally, Apple uses location information collected when an ad request is made to calculate a zip code that is used to select a relevant ad for the customer. As noted above, Apple discards the actual location information transmitted from the device to Apple's iAd servers when an ad request is made.

e. Where the information is stored.

Apple stores the following location-based information on dedicated servers at Apple: (1) geo-tagged information for Wi-Fi hotspots and cell towers; (2) location information associated with automobile traffic data; and (3) location information associated with diagnostic data. In the case of the iAd network, Apple does not store the latitude/longitude coordinates sent by the device when an ad request is made. Apple's iAd servers use that information to immediately calculate a zip code, which is stored on dedicated servers at Apple; the latitude/longitude coordinates are then discarded by the iAd servers.

f. In what format it is stored.

Apple stores the information described above in various formats, including SQL and SQLite.

g. What security measures have been instituted to protect this information while it is being stored by your company.

Apple restricts physical access to the servers on which the location-based information is stored using its card key security system and restricts network access to the servers using network security.

h. When, if ever, each of those security measures were implemented.

The location-based information collected and maintained by Apple has always been protected by the security measures described above.



i. How long your company retains this information.

Unless a longer or shorter retention period is required by law:

- Apple uses the anonymous location information regarding Wi-Fi hotspots and cell towers stored on its servers to continuously improve algorithms Apple uses to calculate the known location of hotspots and cell towers stored in its crowd-sourced database. Because Apple is still using this information, Apple has not yet determined how long it intends to retain the information.
- Apple is using the anonymous location information associated with automobile traffic data to calculate traffic predictions and profiles. Because this anonymous information is needed to provide more accurate and more reliable traffic predictions, Apple has not yet determined how long it intends to retain the information.
- Apple has the capacity to retain the location-based information it collects for diagnostic purposes for a minimum of ninety days. Apple may retain the information for a longer period of time if there is available server space.
- Apple intends to retain the zip code information it has collected for eighteen months to administer and improve the iAd network. After eighteen months, the information may be aggregated for administrative purposes.

j. Who has access to the information.

Apple has access to the location-based information described above.

If a customer has consented to an application's or advertisement's request to use location-based information, iOS will give that application or advertisement the device's current location. The application or advertisement will not, however, be given direct access to Apple's crowd-sourced database of hotspot and cell tower locations.



- 6. Has your company shared or given any third parties access to this information?**
- a. If so, please identify all parties and explain the reason your company provided the information and whether anyone received any compensation, directly or indirectly, as a result of its sharing of this information.**
- b. What measures has your company taken to ensure that any third parties keep or kept this information confidential?**

Please see response to Request No. 5.j.

Apple has downloaded portions of the contents of the crowd-sourced database to Apple mobile devices to provide location services to Apple's customers. As discussed above, the hotspot and cell tower location information stored in Apple's crowd-sourced database and downloaded to customer devices is not the anonymous geo-tagged information collected from mobile devices – instead, it comprises the locations of hotspots and cell towers that have been derived by Apple from the anonymous crowd-sourced location data. Apple does not receive any compensation from its customers for supplying the information from the crowd-sourced database, although that service is something that Apple's customers have come to expect when they purchase an Apple mobile device. The portions of the crowd sourced database stored on a customer's mobile device are protected as discussed above.

With the goal of providing its customers with an improved traffic service, Apple has entered into a confidential relationship with one of its development partners and has shared with this partner subsets of the anonymous location information associated with automobile traffic data collected by Apple. Contractual confidentiality and non-disclosure restrictions protect this anonymous location information, and Apple's development partner is prohibited from sharing this information with any third parties. The terms of Apple's agreement with this development partner are confidential.

Other than as described in the prior paragraphs, Apple has not shared or given third parties access to the information collected and stored by iOS.

As described above, iOS will provide third-party applications with a devices' current location via Apple's application programming interface if that customer consents. Third-party application developers must register as an "Apple Developer" by paying a fee and signing the Registered Apple Developer Agreement and the iOS Developer Program License Agreement (the "PLA"). Registered Apple Developers gain access to the



software development kit and other technical resources necessary to develop applications for mobile devices.

The current PLA contains several provisions governing the collection and use of location-based information, including the following:

- Developers may collect, use, or disclose to a third party location-based information only with the customer's prior consent and to provide a service or function that is directly relevant to the use of the application;
- Developers must provide information to their customers regarding the use and disclosure of location-based information (*e.g.*, a description on the App Store or adding a link to the applicable privacy policy);
- Developers must take appropriate steps to protect customers' location-based information from unauthorized use or access;
- Developers must comply with applicable privacy and data collection laws and regulations regarding the use or transmission of location-based information;
- Applications must notify and obtain consent from each customer before location data is collected, transmitted, or otherwise used by developers;
- If the customer denies or withdraws consent, applications may not collect, transmit, maintain, process or utilize the customer's location data; and
- Applications must not disable, override, or otherwise interfere with Apple-implemented alerts, including those intended to notify the customer that location-based information is being collected, transmitted, maintained, processed, or used, or intended to obtain consent for such use.

Developers that do not agree to these provisions may not offer applications on the App Store. Apple has the right to terminate the PLA if a developer fails to comply with any of these provisions. In its Privacy Policy, Apple also notifies customers that "Information collected by third parties, which may include such things as location data or contact details, is governed by their privacy practices. We encourage you to learn about the privacy practices of those third parties."



- 7. Before collecting, storing, and/or transmitting any data, including location data, has your company notified its customers that this information would be collected, stored, and/or transmitted to your company or any other third party? If so, how?**

Please see response to Request No. 2.d.

- 8. Please provide all privacy policies that pertain to the collection of this location information. Please describe where and how those privacy policies can be accessed by your customers.**

Since Apple began providing location-based services in January 2008, Apple has updated its Privacy Policy two times: (1) in early February 2008 and (2) on June 21, 2010. Copies of each version of the Privacy Policy are attached.

As described in response to Request No. 2.d., customers may access Apple's Privacy Policy from links on every page on Apple's website or directly at <http://www.apple.com/privacy>.

- 9. Please provide all notices that you claim inform the mobile device users about the collection of this location information or any other information. Please describe where and how those notices can be viewed on each device.**

Please see response to Request No. 2.d.

- 10. Please describe any training that you give your employees regarding the collection of the location data or any other data from your company's device owners, including the application of any privacy rights to the collection of that information.**

Apple trains all employees to protect the confidentiality of all information created, collected, and maintained by Apple. Apple regularly provides all of its employees with training on Apple's Privacy Policy. Apple also trains employees who have access to the servers on which location information is stored regarding the protections for those servers.

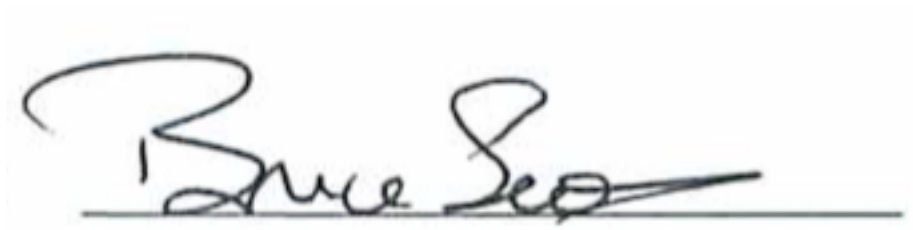
In addition, upon joining Apple, every new employee is required to sign an agreement with Apple under which the employee agrees to protect the confidentiality of Apple and third party non-public information ("NDA"). Even though the location information collected by Apple is anonymous and does not contain any personally



identifiable information, Apple's NDA agreements with its employees would nonetheless protect the use or disclosure of this information to the extent that it is not publicly available.

Please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in black ink, which appears to read "Bruce Sewell", is written over a horizontal line.

Bruce Sewell
General Counsel and Senior Vice
President of Legal and Government
Affairs

Attachments